

### **Grand Traverse County Insufficient Funds (NSF) Policy**

Under Michigan Law, it is illegal to make, utter, or deliver any check, draft, or order for the payment of money, to apply on account or otherwise, upon any bank or depository with intent to defraud if the person does not have sufficient funds for payment of the check, draft or order when presentation for payment is made to the drawee. (MCL 750.131)

NSF Policy, which must be posted by each department to legally charge the NSF Fee:

**All checks, credit cards, or ACH payments returned for insufficient funds or any other reason will result in the payment being removed from the account. The maker will be responsible for reimbursement of funds plus a processing fee of \$15.**

### **Departmental Procedures**

- When the Treasurer's Office receives notification that there has been an NSF payment from the bank, notification will be provided to the department that submitted payment.
- The department, who originally receipted the payment, must make contact with the remitter of the check or funds, either by phone or in writing as soon as possible.
  1. Department may elect to void receipt immediately by providing Treasurer's Office with line items to reverse transaction. Once department collects replacement funds and the additional NSF fee they will receipt into their system again and send over on transmittal as normal.
  2. Department may elect to try to replace funds without voiding receipt. Once funds and additional NSF fee are collected, they will send over to Treasurer's Office on special NSF transmittal form. They will not receipt into normal receipting system, as this will duplicate payment.
    - If more than 10 business days pass without replacement the transaction would either need to be voided by providing Treasurer's Office the line items to reverse receipt (see #1 above), or department may work with the Treasurer's Office for future collection.

### **Delinquent Taxes**

- If the Treasurer's Office receives and NSF payment for delinquent taxes the payment will immediately be reversed in the BS&A system and a new bill will be mailed to the taxpayer to let them know they are now responsible for any additional interest that has accrued since payment, as well as additional NSF processing fee if deemed appropriate by the Treasurer.